



PRIME MINISTER

FOR PRESS

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SOUTH AUSTRALIAN LIBERAL PARTY STATE COUNCIL

I am here today to issue you an invitation and a challenge. An invitation to join with me and my fellow Liberal M.P.s in working for the return of a Liberal Government. A challenge to enter into the coming campaign with such enthusiasm and commitment that we will not just win - we will win with a thumping majority. With that win - with that majority - the Government can carry on with its task of repairing the terrible damage which Labor inflicted on all Australians; of restoring the economy to health; of getting inflation even further down; of cutting taxes and providing the incentive to work; of protecting individual rights, individual choice.

This election will also ensure that the Government continues to have a solid majority in both Houses. For on December 10th, all Members of the House of Representatives and half the Senate will face the electorate. I know that our decision to hold elections for both Houses simultaneously will be widely welcomed. It is a simple matter of common sense that elections for both Houses be held together. Australians do not want to the practice to persist of having half-Senate elections and Representatives elections alternately every twelve to eighteen months. Such constant concern with the holding of elections does not produce good Government - and for that reason is not in the public interest.

Last May, when South Australians voted on the referendum proposal for simultaneous elections, there was overwhelming support in this State - 64% - for the elections to be held together. Now, as the half-Senate election has to be held by next April or May, there is only a span of 4-5 months during which a joint election can be held. We have chosen to go in December - rather than wait until April/May - to give people the certainty and confidence that our essential economic programmes will continue.

There is a clear precedent for what has occurred. On 10 December 1955, Sir Robert Menzies took precisely the same action in holding an election eighteen months early to synchronise the election for the two Houses.

Economic recovery is now clearly under way. For this recovery to continue and strengthen, two things are necessary. First, the uninterrupted continuation of our proven and successful policies to restore the economy to the position where we can get Australians back to work. Second, what is required is an atmosphere of

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certainty and confidence in the community - not just for months but for years ahead.

I need hardly say how undesirable any lack of certainty or confidence would be at a time when school leavers will shortly be seeking to enter the work force.

We were determined to do what was in Australia's best long-term interests, and in the end to ensure that continued confidence prevailed, it was clear a December election met those interests best.

Mr. Chairman, at the election, all South Australians - all Australians will be faced with a clear choice. One choice is that offered by Labor. This is one election in which the Opposition's policies will have been tried and tested. They were all tried in three years of disastrous Labor rule. In that test they all dismally failed. Yet Mr. Whitlam is gearing up his tired old team once again to trot out the same tired old policies. He says most of his Shadow Ministers are experienced men. They certainly are experienced! They are the very same men who together created record inflation - it hit a peak of over 19%. They are the very same men who together created economic stagnation - gross domestic product actually fell in 1975. That was an experience we will never forget.

Mr. Whitlam feigns concern for the unemployed. Yet he is the man whose Government produced a record rise in unemployment - up 157% in one year. He is the man who refuses point blank to condemn the handful of extremist unionists who, through unnecessary disruptive strikes, deny thousands of Australian working men and women the right to work. Those extremists all run unions which are affiliated with the Labor Party. Unions whose delegates vote on Labor Party policy which is binding on all Labor Parliamentarians. They are the so-called industrial wing of Mr. Whitlam's own party. Yet as leader, will he take the lead and repudiate their tactics and the unemployment they create? No, he remains silent.

His Shadow Minister for Industrial Relations, Mr. Willis, in an A.B.C. telecast, supports the 2,000 Victorian power workers who put hundreds of thousands of innocent Australians - including many thousands of South Australians - out of work. Does Mr. Whitlam disown this extraordinary statement of complicity by his own front bench colleague? He does not. Mr. Whitlam's record shows he knows nothing about creating jobs. But we can all agree he is an expert at ending jobs. In office, he sacked two Treasurers. This week he has just sacked his third - Mr. Hayden. But Mr. Hayden does not care. On Thursday, he told an A.B.C. reporter that "It did not look as if there were any domestic affairs which needed his attention anyway."

Fortunately, for Australia, there is a better choice. The return of a Liberal Government which cares for individual Australians. In 1975 we took on an enormous task - nothing less than to save Australia from economic ruin. The economy had been gravely mis-managed. Inflation, interest rates, and unemployment had risen steeply. Profits and investment had fallen just as steeply. There had actually been a fall in real national product.

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Because of the enormity of our task, there could be no quick and easy solution. We did not promise complete recovery overnight. What we did undertake was to reverse the runaway growth in inflation and interest rates, restore real growth, bring back incentive and thus get Australia on the move again.

In twenty two months, we have already achieved much of what we undertook to do. First and foremost, we have broken the back of inflation. In 1975, inflation was running at 16/17%. So far this year, inflation has been running at an annual rate of 9%. The 2% increase in the CPI recently announced was the lowest for five years, apart from the quarter Medibank was introduced. As we promised, we have imposed the most rigorous restraint on Government spending, and reduced the inflationary deficit in two successive Budgets by half a billion dollars. We have maintained firm control over the rate of growth of money - and over the rate of growth of the Government bureaucracy. As we promised, we have made substantial cuts in personal income tax and reformed the rate scale. This financial year, tax indexation and our latest tax reforms will save individual tax payers over \$1.3 billion. Next year the total savings will be over \$1.8 billion.

We have also introduced essential tax concessions for business and the mining and petroleum industries, thus restoring the incentive for business to invest, and for mining and oil exploration to start up again. Labor stifled mineral development and brought the search for oil to a complete halt. Under this Government, oil search is well under way. Just last month it was announced that \$300 million will be spent in oil exploration off Western Australia. In response to these policies, there has been a dramatic turnaround in the economic outlook for Australia. We can now see the benefits to be obtained from firm anti-inflationary policies, and from policies which encourage innovation, investment and development.

Last year, the non-farm sector of the economy grew by 3.5% in real terms. Company profits were up 23%, and real household disposable income - influenced by our tax cuts and the Family Allowance Scheme - was 1.6% higher than in the previous year. Numerous large industrial and mining projects have been announced including the North West Shelf development, huge expansions in the Pilbara iron ore projects, and the rapid development of coal projects in New South Wales and Queensland. \$600 million of new projects in the manufacturing sector were announced in the June quarter alone.

Foreign investment is flowing in again. In 1975/76, only \$122 million in foreign investment came to Australia. In 1976/77 this figure increased six times to \$326 million. There has also been a gratifying improvement in our trade and current account. In the September quarter, seasonally adjusted exports increased by around 6%, while imports fell about 5%. Here we see some of the beneficial effects of last November's devaluation - and our trading position can be expected to strengthen even further.

In response to our stronger external position, and the evident success in our fight to reduce inflation, interest rates are now falling - an important ingredient for further economic recovery.

One aspect of the economy which is far from satisfactory is unemployment - particularly amongst the young. This Government is most concerned for those who cannot find jobs. We have undertaken a wide-ranging strategy to curb unemployment and create new employment opportunities. Since we came to office we have found jobs for 850,000 people through the Commonwealth Employment Service. We have introduced or expanded manpower and training programmes - N.E.A.T., the Special Youth Unemployment Training Programme, the Community Youth Support Scheme, the C.R.A.F.T. Scheme for Apprentices. Over 122,000 people have participated already in these schemes. This year we will spend more than \$100 million to continue and expand them. No eligible person will be refused assistance under these schemes. We have undertaken a major offensive to reduce unemployment amongst aboriginals. The Minister for Education has set up new vocationally oriented education courses to assist young unemployed to develop basic skills. And just a few days ago at the Premiers Conference it was agreed, at our initiative, that a Special Youth Employment Task Force be set up in each State, to persuade employers to take additional young people on to their payrolls from the beginning of next year.

One factor which would greatly reduce unemployment would be a more responsible union attitude towards wage demands. For, as we all know, so many young people are out of work because, through union demands, their award wages have priced them out of the labour market. We have consistently argued before the Arbitration Commission for restraint in wage increases. We have had some success, but not as much as we would have liked. Union leaders continue to press for excessive wage demands, and the most damaging strikes in recent months have been designed to break the indexation guidelines, flout the authority of the Arbitration Commission and boost the inflationary wage spiral. The recent Victorian power strike was just such an example. In Victoria alone, 450,000 people were laid off, and I know thousands of people were laid off in South Australia as a direct result also. It is now clear that some thousands of workers laid off during that strike will not be re-employed: in some cases, because the strike sent their employers bankrupt. This determined attempt by some extremist officials of a few key unions to attack our system of conciliation and arbitration must be resisted, and it will certainly be resisted so long as there is a Liberal Government in this country.

We have already introduced considerable legislation designed to enable rank and file unionists to have a greater say in the affairs of their union, and to ensure that the public interest can be more readily protected in times of industrial disruption. We have legislated for secret postal ballots for union elections. We have established the I.R.B. to ensure that industrial law is observed. We have provided for a wider range of consequences for the breach of industrial law, and provided the conditions in which - for the first time - effective action can be taken under the Conciliation and Arbitration Act to deal with demarcation disputes.

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We have introduced legislation into the Parliament which will ensure that unions submit an annual report to their members.

It might have been expected that this legislation which protects the rights of individual workers would have been supported by the Labor Party - the self-styled guardians of the working man. But they have condemned every piece of industrial legislation we have introduced. They have opposed secret ballots which are designed to give union members a real say in the running of their union. They have opposed legislation which will protect the right to work. They have opposed it, not because they thought it failed to achieve its aim, but because it is official Labor Party policy to place trade unions above the law.

Mr. Whitlam knows he is bound by that policy. That is why a year ago he defended political strikes by trade unions. That is why on television this week he refused to say what a Labor Government would do if a union refused to accept an Arbitration Commission decision. He weakly claimed no Government ever solved an industrial dispute. But that is patently a false claim - as he well knows.

It was the Commonwealth that brought the air controllers strike to an end. It was the strong stand of the Victorian and Commonwealth Governments that contributed to the ending of the Victorian power dispute.

Labor would wash its hands abdicating all responsibility for industrial disruption. Little wonder that the number of days lost through strikes in the first six months of 1974 was six times the number lost in the same period this year. Only under a Liberal Government will the law be applied - fairly but firmly - in industrial matters. This is the only way industrial peace will be restored, and the orderly method of resolving disputes through conciliation and arbitration be upheld.

The Government's overriding concern to put Australia firmly back on the path to economic recovery has not prevented us from implementing far-reaching social and legal reforms. As we promised, we have provided effective assistance to those most in need - the Family Allowance Scheme, the indexation of social welfare and repatriation pensions and benefits, the greatly increased assistance we have given to handicapped adults and children - all amply demonstrate our concern with the disadvantaged, the under-privileged, in our society.

As we promised, we have protected and enhanced individual rights. The appointment of the first Ombudsman, the work of the Administrative Appeals Tribunal, the simplified ways of reviewing bureaucratic decisions, our legislation for a Human Rights Commission - all demonstrate our concern to defend civil liberties and individual rights.

As we promised, we have taken particular care to safeguard the welfare of Australia's ethnic minorities. We have established a separate Department for Immigration and Ethnic Affairs. We are extending the translator interpreter service to Wollongong. We have introduced into Parliament legislation to establish a special broadcasting service placing ethnic radio on a secure, long-term, basis.

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We contracted out the provision of services to a migrant welfare group in Melbourne - and the experiment looks like being an outstanding success. We are conducting an extensive information campaign through the ethnic press to inform migrants of their rights regarding Government services available to them. And we have appointed the Galbally Enquiry into Post-Arrival Services for Migrants, which will, I believe, lead to dramatic new programmes for migrants in this country. Recently, we have announced a further \$2.3 million for the migrant education programme, which includes funds for intensive English language courses during the December-January vacation period using excess capacity in language laboratories which might otherwise lie dormant during the vacation period. This idea arose out of the work of the Galbally Review.

As we promised, all our policies are designed to increase individual choice, to allow all Australians to make more important decisions affecting their own lives.

Our tax cuts have allowed Australians more say over how their own hard-earned income is spent. Government policies to assist aboriginal communities have been re-oriented to give first priority to aborigines participating in running their own programmes; and of course our reforms of Medibank, which are now widely popular and widely accepted, have restored freedom of choice in health insurance.

As we promised, we have reversed those Labor policies which discriminated against the rural community. Far more money is now given to local government and to rural roads. Income equalisation deposits and tax averaging have greatly helped to maintain incomes of rural producers during a difficult period of depressed markets, rising costs, and now a terrible drought. Our recent package of assistance to the cattle industry and our decision to establish an Australian Rural Bank clearly demonstrate our determination to ensure the continued viability of our rural industries.

One group in our community that has been through a most difficult period - and which we have acted to help and will continue to assist - is the small businessman. The tax concessions we have introduced have greatly helped small business - particularly the trading stock evaluation adjustment, the easing of division 7 tax and the cuts in personal income tax. We realised that a major problem facing the small businessman was his difficulty in obtaining adequate funds to finance growth and expansion. Because of this, we have recently introduced a package of measures to make finance more readily available to small business.

Ladies and gentlemen, a start has been made. Much of what we undertook in 1975 has already been fulfilled. We can proudly assert - no Government has in just two years legislated more thoroughly to reform our society, to bring about the recovery of our economy. No Government has demonstrated such a real concern for individual rights.

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But much more remains to be done, and we cannot afford to relax one moment in our fight to keep inflation moving further downwards, in our determination to get Australia on the move again.

Only a Liberal Government has the policies, the Ministers and the will to make Australia the great country we all know it can be. I know that you will all take up my invitation and challenge to work with me and my fellow Liberal M.P.s in ensuring the triumphant return of a Liberal Government on December 10.

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